

21 APR 1981

MEMORANDUM FOR: Director of Logistics

FROM: Edward L. Sherman
Director of Finance

SUBJECT: Response to Copier Management Consolidation Study

1. The Office of Finance endorses Alternative One of the Copier Management Consolidation Study as several advantages would accrue as follows:

a. First, there will be a reduction in the total number of contracts issued to vendors. This would reduce the number of contract files in OF and enhance efficiency.

b. Secondly, the problem of coordinating the funding of each contract with each user office would be eliminated. This would be especially apparent in the case of the numerous amendments that must currently be written at the end of a fiscal year due to underestimates of usage charges by each office.

c. The third advantage would be a simplification of the invoice approval process. All invoices requiring approval could be sent to a central location rather than routed to the many user offices involved.

2. All of the above advantages would facilitate vendor payments. These combined with a "customized" Copier Management Report (see attached memo to C/P&PD) would result in more efficient utilization of time as well as increasing discounts earned. Additional proposed enhancements to the system such as sending computer-generated meter reading reports to vendors to facilitate preparation of invoices would also improve timeliness of payments.

3. The disadvantages outlined in Alternative One of the study do not effect OF in our bill paying process and no other disadvantages are apparent.

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Attachment:
See Para 2 above

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21 APR 1981

MEMORANDUM FOR: Chief, Printing and Photography Division
Office of Logistics

THROUGH: Director of Finance

FROM:
Deputy Director for Compliance
Office of Finance

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SUBJECT: Use of Copier Management Reports for
Vendor Invoice Payments

1. After review of the Copier Management Reports provided by your Division and review of the overall process to facilitate payments to vendors for copier services; we would like very much to take you up on your offer to provide a tailored report. What is needed is a combination of the Cost Volume Analysis and the Make Model Serial reports.

2. The report needed should contain the following:

- a. The columns for and sorted by make, contract number, and serial number.
- b. Columns for monthly rental, maintenance, usage, installation, removal, and total costs.
- c. Column for the Obligation Reference Number (ORN - See Note.)
- d. Columns for the billing month and the installation/removal date.
- e. Columns for each of the three meter readings, a column for net volume of copies. (This line will have to immediately follow the previous columns due to the line length of the print paper.)

3. The report needs to contain the previous months' data as well as the current month. It would also be helpful if the total costs were accumulated for each contract. Stating the contract amount and computing the balance available for each contract will lessen the chance of overpaying a contract and provide the capability to project needed contract amendments.

4. To make the most efficient use of the Copier Management Report, A&CD proposes the following procedure:

a. An authorized meter reading report be sent to each vendor from which to prepare invoices. Each vendor must agree to use only this data to prepare the invoices and to break out the charges for rental, usage, maintenance, etc. This will ensure that each month's charges are all contained on the same invoice. If the vendor has any items to bill that are not on our report, they should be invoiced separately.

b. When the invoices are received from the vendors, A&CD will use their version of the report to verify the charges. This will end the need for invoices other than exceptions to leave the office for approval.



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Concur:



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Director of Finance

Note: Providing this data element in the Copier Management System will save much manual record searching in A&CD at the time the invoices are audited and paid. A&CD would be willing to do the input of this data. It should be noted that adoption of the first alternative recommended by P&PD in the Copier Management Consolidation Study would eliminate the need for this element if a single ORN is used for all copiers.